

The Shakopee budget features a separate line item for political contributions.⁵⁸⁴ For fiscal year 1996, the tribe budgeted only \$20,000 for political contributions; yet, as noted above, the tribe issued more than ten times that amount – some \$200,000 in federal and state contributions – in fiscal year 1996. No witness was able to recall how the initial \$20,000 budget figure was determined, despite the fact that even that amount was a substantial increase over the \$667 budgeted for political contributions in fiscal year 1995.⁵⁸⁵ Still, sometime during the formation of the budget in 1995, the Business Council approved the creation of a new line item in the budget, in the amount of \$500,000, to cover what it dubbed “national and state gaming issues.”⁵⁸⁶ Tribal witnesses said that the tribe intended for this new line item to provide a cushion in the budget to cover an array of potential expenses relating to gaming issues, including lobbying efforts and political contributions. In addition, the head of accounting during this time recalled that, when the tribe began making substantial contributions in 1996 – thereby exceeding the originally-budgeted \$20,000 amount – the accounting department, on advice of legal counsel, was expressly authorized to cover these expenditures by drawing on funds allocated to “national

⁵⁸⁴The tribe operates on a fiscal year that runs parallel to the federal fiscal year; thus, fiscal year 1996 began on Oct. 1, 1995, and ended on Sept. 30, 1996. Tribal witnesses said that the budget for fiscal year 1996 was drafted and reworked in the spring and summer of 1995, and was approved by the tribal membership in September 1995.

⁵⁸⁵Nonetheless, it is noteworthy that the tribe budgeted only \$20,000 for political contributions in the spring and summer of 1995, when the Hudson matter was pending and the opposition lobbying effort was most active.

⁵⁸⁶Shakopee Mdewakanton Sioux Community Proposed Budgets by Department for Fiscal Year 1996, Oct. 1, 1995, through Sept. 30, 1996.